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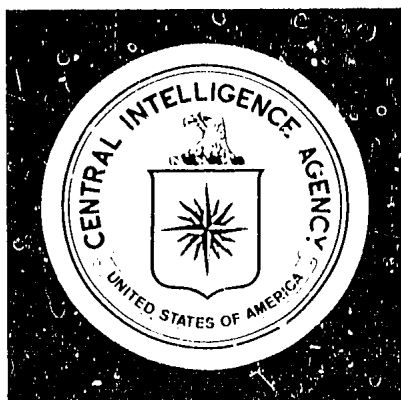
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# Weekly Summary

**Secret**

No. 0001/75  
January 3, 1975

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Grechko

Gamasy

Gromyko

Fahmi

## USSR-EGYPT: TRIP POSTPONED

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Both Moscow and Cairo appear to be making an effort to de-emphasize the impact on Soviet-Egyptian relations of the indefinite postponement of Soviet party boss Brezhnev's trip to the Middle East. The Egyptians, in particular, have been playing up Brezhnev's illness as the reason for the postponement.

The two governments announced the postponement on December 30 after two days of talks in Moscow between Soviet leaders and Egypt's Foreign Minister Fahmi and War Minister Gamasy. The two Egyptian officials had evidently gone to Moscow in response to an "urgent" letter from Brezhnev to President Sadat on December 25. Moscow's last public mention of the Middle East trip was on December 24.

The Soviets have been uncommunicative on the state of Brezhnev's health, but Egyptian press sources--almost certainly drawing on background briefings provided by Fahmi--say he was hospitalized and recuperating from a severe cold.

Brezhnev has made relatively few public appearances in the USSR since the Vladivostok summit meeting, but he was noted on December 24 and was well enough to receive the Egyptians on December 29.

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In addition to the role Brezhnev's health appears to have played in the postponement, the

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continuing differences between Moscow and Cairo over the Soviet role in the Middle East may have also been a factor. A few days before Brezhnev sent his letter to Sadat, Moscow had intensified its indirect criticism of Egyptian support for the step-by-step approach to negotiations sponsored by the US. A short communique on the Egyptians' visit to Moscow contained only the standard Egyptian pledge to resume the Geneva conference "at an early date." The Soviets apparently want firmer assurances that the Egyptians will help them play a more prominent and substantive part in the negotiations.

The presence of Gamasy in the Egyptian delegation and the participation of Soviet defense boss Grechko in the talks indicate that the subject of military deliveries was a prominent part of the discussions. Cairo has been pressing Moscow to make good on its commitments to deliver weapons ordered prior to the October 1973 war and may have gained some satisfaction on this point. The failure of the communique to mention military assistance, however, suggests that no new military aid agreement was reached.

Despite the abrupt postponement, both sides seem anxious to cushion the impact on Soviet-Egyptian ties. Soviet press coverage of the Egyptian visitors was positive, and the media have castigated the Western press for speculating about Soviet-Egyptian friction.

The Cairo press, undoubtedly following Sadat's lead, has warned against "unjustified" rumors and speculation, emphasizing that the postponement will in no way affect Egypt's "friendly" relations with Moscow. *Al-Akhbar* has claimed that the Soviet explanation satisfied the Egyptians and has nothing to do with political ties between Egypt and the Soviet Union.

Israeli commentary reflects Tel Aviv's ambivalence on the ramifications of the postponement. Most commentators believe prospects for step-by-step negotiations with Cairo have improved, but they also express fear that Washington will now urge Tel Aviv to make greater concessions to achieve a second-stage withdrawal in the Sinai.

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## ARAB STATES: CONFERENCE IN CAIRO

The foreign ministers of Egypt, Syria, and Jordan and representatives of the Palestine Liberation Organization are scheduled to begin talks in Cairo late this week on strategy for future Middle East peace negotiations. The Syrians and Palestinians have been pushing for this meeting in the hope they can block any independent Egyptian move toward a second disengagement agreement with the Israelis. The PLO wants to keep Arab attention focused on the Palestinian cause and, ideally, would like to regain access to Jordanian territory for fedayeen strikes at Israel. 25X1

The Jordanians will drag their feet on proposals that would make concessions to the Palestinians and will strenuously oppose any that open the possibility of a return of the fedayeen to Jordan. To minimize the likelihood that the Palestinians will make significant gains, Amman has sought to limit the importance and duration of this conference. 25X1

Egypt, like Jordan, will be reluctant to commit itself to any tactics that would tie its fate to those of the Syrians or Palestinians. Above all, Cairo does not want to jeopardize the success of the step-by-step approach that has been used in negotiations so far.

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## ETHIOPIA: THE ERITREAN PROBLEM

Faced with increasing violence and unrest in Eritrea Province, Ethiopia's ruling military council is having second thoughts about its decision to take a tough line against the separatist Eritrean Liberation Front. The council has begun stressing its intention to seek a peaceful solution to the insurgency, but it will probably have to make some specific concessions to the Front soon to prevent another round of fighting.

Late last week, the council publicly announced it was giving top priority to ending the conflict through talks. Council members apparently began to recognize the vulnerability and limited capability of army units in the province. Strong recommendations from neighboring Sudan against a military solution also influenced the council's decision.

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Following its announcement, the council sent a high-level delegation to Asmara, the provincial capital, to begin discussions with local government, tribal, and religious leaders; insurgent leaders did not participate. After two days of talks, the leader of the delegation announced that the military government was willing to hold direct negotiations with the Front. This was a key point for the local notables, who also demanded a cessation of all military operations in the province, the release of all Eritrean political prisoners, and the exclusion of Eritrean students from participation in the council's rural development program. In return, the local leaders would attempt to get the Front to adhere to a cease-fire. The delegation has returned to Addis Ababa to discuss these other points with the council.

The council will have to be responsive to at least some, if not all, of the demands if it hopes to open fruitful negotiations with the Front. The insurgents' interest in an accommodation with the government has lessened in recent weeks because of an influx of new recruits, promises of increased Arab aid, and an upsurge of independence sentiment throughout the province.



Security check

In any event, the Front's insistence that it will accept nothing less than complete independence presents a serious obstacle to talks. At most, the council is willing to discuss limited self-government for Eritrea, in accord with its announced policy of providing more autonomy to all of Ethiopia's 14 provinces.

Factionalism within the Front also raises difficulties for any negotiated settlement. The Front's two main factions are continuing efforts to overcome their differences. Leaders of the two groups reportedly agreed late last month to coordinate insurgent activities while retaining separate organizations. The factions, however, have not yet decided on unified and clear political goals.

The council's shift toward a more conciliatory position followed a week of violence that began when Front terrorists bombed two soldier-filled cafes in Asmara. For several days afterwards, large numbers of civilians were found strangled on the city's streets; a majority were students. Responsibility for the deaths is not clear, and the Front itself cannot be ruled out. It is more likely, however, that the murders were carried out by the army in retaliation for the attacks on the cafes and were an effort to intimidate Front supporters.

On January 2, four explosions were set off outside Asmara. The Front probably was responsible for the bombings, some of which were directed against government communications installations.

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## BANGLADESH: STATE OF EMERGENCY

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Prime Minister Mujibur Rahman declared a national state of emergency on December 28 in an attempt to cope with widespread lawlessness, corruption, and a steadily deteriorating economy. The decree empowers the government to arrest and jail suspects without trial, to ban political groups and meetings, and to conduct unlimited searches and seizures. Mujib told newsmen that the decree was only a first step and that he may take more drastic measures later.

According to the decree and subsequent official proclamations, the state of emergency was declared because "the security and economic life of Bangladesh have been threatened by internal disturbances." Ever since attaining independence three years ago, Bangladesh has been plagued by banditry [redacted] and the smuggling of desperately needed rice into India. Political

violence by anti-government guerrilla groups has been mounting. Since independence, politically motivated assassins are said to have killed some 3,000 members of the Prime Minister's ruling Awami League, including six members of parliament. [redacted]

[redacted] Mujib is also concerned about anti-government plotting by military officers dissatisfied with the regime's ineffectiveness.

Local contacts of the US embassy in Dacca hypothesize that the emergency decree was triggered by the assassinations last month of several Awami Leaguers, including a member of parliament. Mujib, however, may have been planning the move for some time.

Mujib also has long been considering a shift to a presidential regime hoping to increase his power to deal with the country's political, economic, and social problems. Leading members of the Awami League oppose such a change because it would diminish their own powers, but Mujib could decide to establish a more centralized system anyway. The US embassy believes that the declaration of an emergency is part of a steady trend toward more authoritarian rule by the Prime Minister.

The impact of the emergency decree on Bengalee public attitudes depends upon how Mujib uses his new powers. If he takes strong action against troublemakers [redacted] he may temporarily mollify some of the government's growing number of critics, but he is still unlikely to make major progress toward easing the country's deep-seated problems.

The public has reacted calmly to the decree so far. Political groups opposed to the regime may try to protest, but they are too fragmented to mount a serious challenge to Mujib without military backing. [redacted]

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Mujibur Rahman

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Kaunda



Smith



Muzorewa

### RHODESIA: A SHAKY TRUCE

Prime Minister Smith's truce agreement with the black insurgent leaders appears to be taking effect gradually. Prospects are dim, however, for the early constitutional conference called for in the agreement.

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Since Smith announced the truce on December 11, Salisbury has released at least 50 of some 400 black political detainees, despite government claims that the insurgents are responsible for a number of recent small-scale attacks on security patrols and civilian farmers.

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On December 24, four members of the large South African police contingent in Rhodesia were killed while attempting to arrange a cease-fire with a small guerrilla band. A spokesman for the non-insurgent African National Council, which merged with the three Rhodesian insurgent organizations in early December, expressed regrets and said cease-fire orders had not yet reached some of the more isolated guerrilla units. South African official commentary on the killings has been so restrained as to discourage Smith from any retaliatory measures that might further disrupt the truce.

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Meanwhile, President Kaunda of Zambia has been nudging the insurgent leaders toward full cooperation with Bishop Muzorewa, chairman of the enlarged African National Council; rival nationalist leaders have been trying to gain control of the council.

Despite the truce agreement's call for an early constitutional conference, Smith and the black nationalists are still unable to agree on a site for the meeting. The nationalists are opposed to Smith's plan to hold the meeting in Salisbury, where they fear he would preside and play them off against each other.

Kaunda and President Nyerere of Tanzania have urged the British government to convene the constitutional conference in London, but Smith is likely to resist such an arrangement. Muzorewa and the principal insurgent leaders also favor the London site

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President Somoza

## NICARAGUA: HIGHLIGHTING DISCONTENT

A dramatic act of terrorism last weekend was the clearest sign to date that President Anastasio Somoza faces his most difficult challenge since inheriting political control a decade ago.

A small terrorist band captured about a dozen of Somoza's closest aides, family, and friends last weekend, leaving the President angry, embarrassed, and alarmed. Forced to yield to the terrorists' demands, including a ransom of over \$1 million and the release of 14 political prisoners, Somoza will likely react with a harsh crackdown.

The seriousness of this episode is underscored by the generally favorable public response. The guerrillas, members of the Sandinista National Liberation Front, were applauded by passers-by as they drove to Managua's airport with the hostages, and they were cheered by a couple of hundred young Nicaraguans as the plane left for Cuba. The terrorists, offspring of well-established Nicaraguan families, might be receiving direct assistance from middle- and upper-class dissidents.

The Sandinists, who began sporadic acts of violence in the early 1960s and then received some Cuban funds and guerrilla training, were greeted coolly in Havana. The Castro government, which initially had refused to accept them, emphasized that the terrorists were allowed to enter only because of Managua's official request.

Somoza, who began a six-year presidential term on December 1, was already concerned because of outspoken criticism this year from opposition political parties as well as church, student, and labor groups. In fact, nine organizations that had endorsed abstention in the last election recently formed an anti-Somoza front. Ranging across the political spectrum from right to left, the group includes dissident liberals and conservatives, Social Christians, and communists. Pedro Joaquin Chamorro, owner of a widely read opposition newspaper and a long-time Somoza-hater, will likely emerge as the front's principal spokesman. If it holds together, the front can become the focal point of broader opposition efforts in the future.

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## ARGENTINA: GROWING MILITARY ROLE

The armed forces appear to be seeking a more active role as a power broker in Argentine politics. The continuing success of the army-supported counterterrorist campaign is bolstering army ego, and political activity by some military leaders is increasing.

The military is still smarting from the unpopularity that led the Lanusse regime to turn power back to civilians in 1973. Although a coup appears to be highly unlikely, the army is said to be "re-evaluating" its role in the government.

25X6 President Peron is gradually becoming more  
25X6 acceptable to military leaders, but they are grow-  
25X6 ing more critical of the role of powerful Social  
Welfare Minister Lopez Rega, who is also Mrs.  
Peron's private secretary and mentor.

These critics contend that Mrs. Peron can get

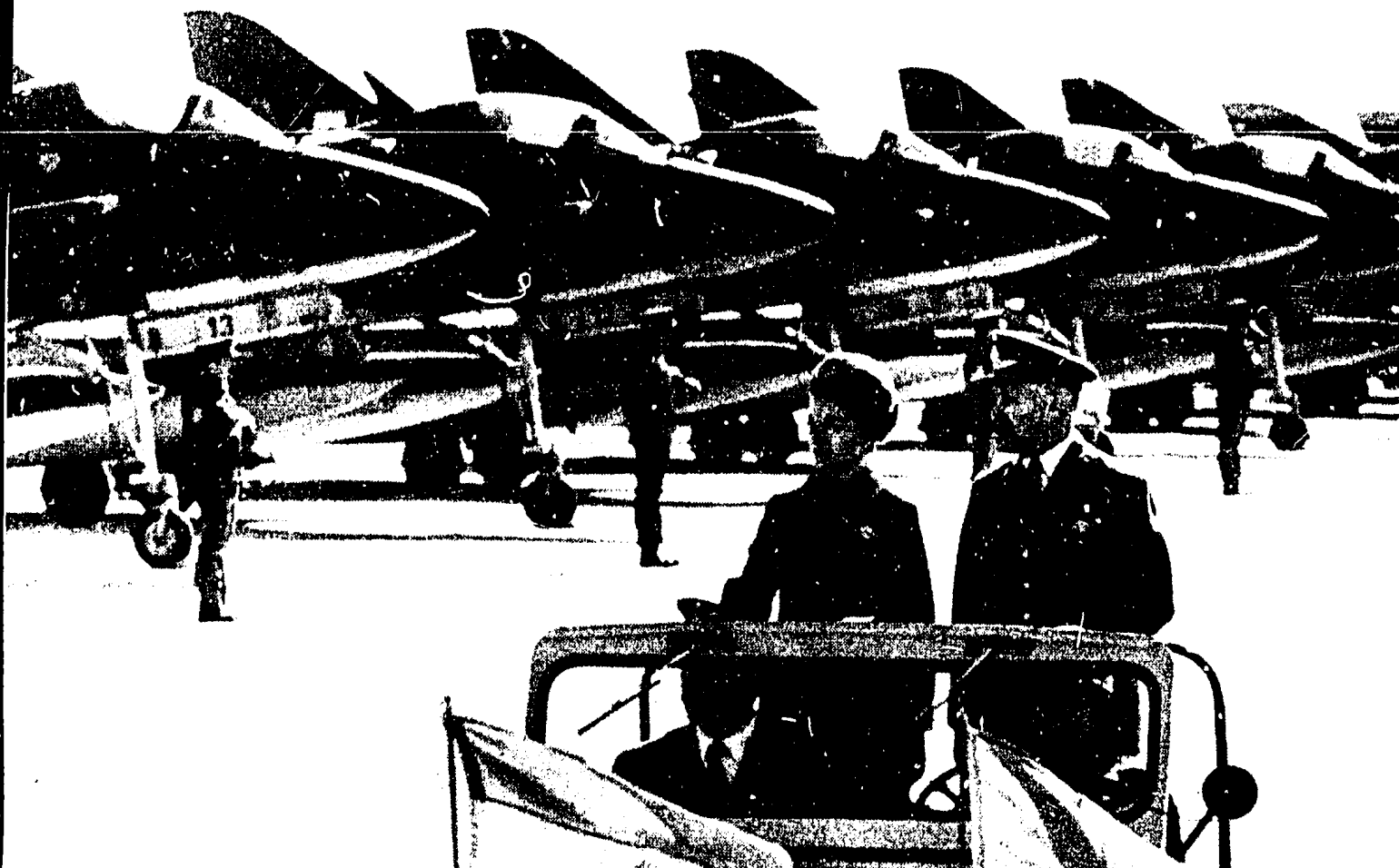
along without him, providing she has the active support of the military and labor. 25X1

Meanwhile, the terrorists are on the defensive. Their assassinations of army officers have significantly reduced their popular support and have encouraged maximum efforts by security forces.

they are still capable of spectacular operations—such as the attempted assassination of the Federal Police chief on December 23—and the war against terrorism is far from over.

President Peron reviews jet fighters with air force chief of staff

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## GREECE: NEW CONSTITUTION

Prime Minister Karamanlis last week unveiled a draft constitution for Greece that provides for a strong executive. The draft came under immediate fire from opposition parties that charged Karamanlis with intending to establish a new brand of authoritarianism.

The draft, which will replace the 1952 constitution, follows a referendum earlier this month in which Greeks voted to abolish the monarchy in favor of a presidential republic. According to the US embassy in Athens, the 112-article document has some European constitutional antecedents, but is essentially grounded in the Greek experience. It contains several clauses that protect civil liberties and human rights. It also provides for the reorganization of parliament into three separate sections, presumably to accelerate its work and increase productivity.

The most outstanding feature of the draft is the strong powers delegated to the president. These resemble those held by the king under the 1952 constitution. Under the new charter, the president will be elected by parliament for a five-year term. In addition to appointing and dismissing the prime minister, the president will have the authority to appoint and dismiss other cabinet members at the prime minister's request. He may also dismiss the entire government and the parliament after consulting with the Council of the Republic, composed of past presidents and prime ministers. The president would be permitted to veto draft laws, which would then have to be approved by a three-fifths majority of parliament. He may also proclaim referenda on crucial national issues.

A spokesman for the Center Union - New Forces, the main opposition party in parliament, said the proposed constitution "humiliates parliament" and makes the president "excessively powerful." Andreas Papandreou, leader of the leftist Panhellenic Socialist Movement, characterized the new charter as "totalitarian under a parliamentary mantle." One of the country's two Communist parties described the draft as "reactionary, undemocratic, and outdated," warning



Karamanlis voting in referendum

that it paved the way for the establishment of "autocratic" rule.

The adverse reaction to the draft caused the Karamanlis government to go on the defensive. A spokesman rejected the opposition's charges, but noted that the government does not intend to use its overwhelming majority to railroad the draft through parliament. Rather, it wished the new charter to be the work of the entire parliament and would seek a responsible dialogue with all parties on the constitution.

A special parliamentary committee is scheduled to begin debate on the draft on January 7. A number of counter-proposals are expected, particularly by the Center Union - New Forces, thereby ensuring a heated and possibly lengthy debate—though this is limited to three

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months. In the event that no agreement is reached, the draft will then be submitted to the Greek electorate in a nationwide referendum. [REDACTED]

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### DENMARK: ANOTHER ELECTION

The parliamentary election in Denmark on January 9 will provide a test of voter attitudes toward Prime Minister Hartling's economic "crisis plan."

Hartling dissolved parliament and announced new elections on December 5 when it became clear that his economic package did not have a majority in the 179-seat Folketing. The austerity plan called for a wage and price freeze, strict control of agricultural prices, and suspension of the link between wages and the cost-of-living index.

Hartling launched the election campaign—the second within little more than a year—by portraying his Moderate Liberals as the only party with a coherent plan to restore economic stability. Meanwhile, he criticized the opposition Social Democrats on the left and the Progressives on the right for blocking his efforts to reduce the country's annual 15-percent inflation rate, the 5-percent unemployment rate, and the huge trade deficit.

The Social Democrats and the Progressives, the two largest parties, will probably not take any votes away from Hartling's Moderate Liberals. The Social Democrats, with 46 parliamentary seats, are suffering from internal divisions, weak leadership, and some erosion of their traditional labor support. The Progressive Party, which was organized during the national election in 1973 as a protest against high taxes, may have some difficulty holding on to its 26 seats. The Progressives will be hurt by the indictment of party leader Mogens Glistrup for income tax evasion and by the substantial income tax reduction enacted during Hartling's year in office.

The inability of the other parties to come up with attractive economic solutions of their own is apparently working to Hartling's advantage. Recent opinion polls indicate that the Moderate Liberals, who now control only 22 seats, may get twice the number of votes they received in the 1973 election, largely at the expense of the eight small parties.

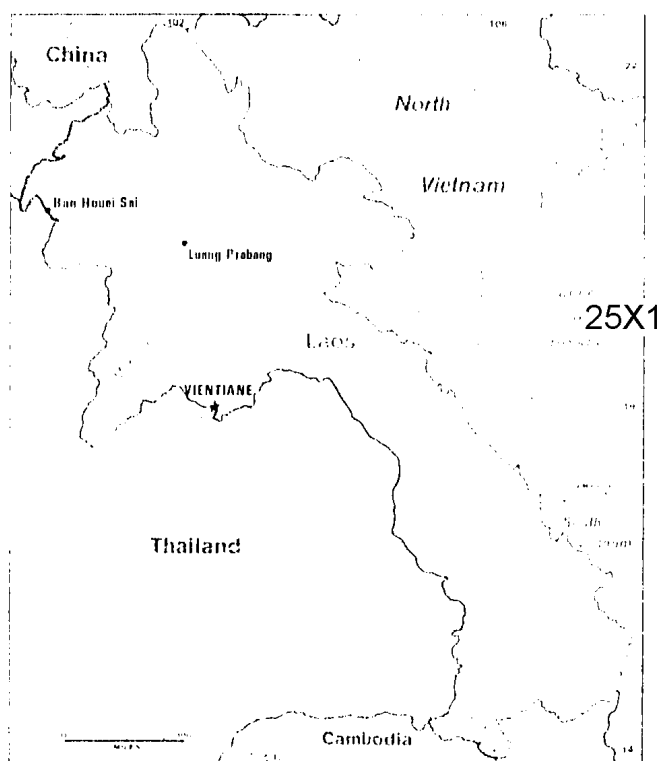
The Moderate Liberals have indicated that they would consider forming a coalition with the Social Democrats. Given his way, Hartling would like to work for further tax reductions, a simplified tax payment system, the decentralization of local government and public service agencies, and educational reform. Both parties will have to patch up past differences, however, before any long-term cooperation on the economy, the country's most pressing problem, can be expected. [REDACTED]

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Hartling

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### LAOS: INCIDENT AT BAN HOU EI SAI

The situation in the remote northwestern provincial capital of Ban Houei Sai is no longer tense. On December 30, following a meeting with senior representatives of the coalition government, the rebels freed the Americans and other foreigners they had detained and agreed to reopen the town. According to press reports, the Pathet Lao troops, who joined rebellious Lao army troops in taking over the town on December 26, have withdrawn, and the town is in government hands.

This was the second time in three months that disgruntled Lao troops have occupied Ban Houei Sai. Economic grievances—such as salaries and rice rations—and corrupt commanders are major factors in the seizures, but the troops this time have cited political demands that suggest the Pathet Lao are involved.

The government negotiators agreed to replace the military and civilian officials whose poor performance had contributed to the difficulties. It is not yet clear what other concessions were made, but the government delegation appears to have circumvented the Communist-inspired political proposals. Minister of Interior Pheng Phongsavan, who took part in the negotiations, claimed to the US ambassador that all current problems were resolved.

While Pathet Lao coalition officials have denied that any of their forces took part in the incident, [redacted] fully armed Pathet Lao troops were active in the occupation of the town. [redacted] 25X1

### VIETNAM: THE WINTER CAMPAIGN

Communist-initiated military action continues to taper off in much of the southern half of the country. Some serious trouble spots remain, however, most notably in the provinces east of Saigon and in some areas of the delta.

As spelled out in COSVN guidelines, the opening round of fighting that began in early December was largely a test of government defenses and reactions. Communist forces in Tay Ninh Province, for example, are now reportedly evaluating the first weeks of action before beginning new attacks in early January. In other areas, where government forces have been less successful in defending their more remote positions, the Communists are continuing to press forward to expand their holdings of both territory and people.

South Vietnamese officials have taken a number of steps to offset both actual and anticipated Communist gains. In addition to re-establishing a larger reserve force, Saigon has created special task forces from existing units that have greater flexibility and mobility. Furthermore, the South Vietnamese have mounted a number of counter-operations to regain the initiative in the delta and around Saigon. [redacted]

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## CAMBODIA

## UNWELCOME FIREWORKS

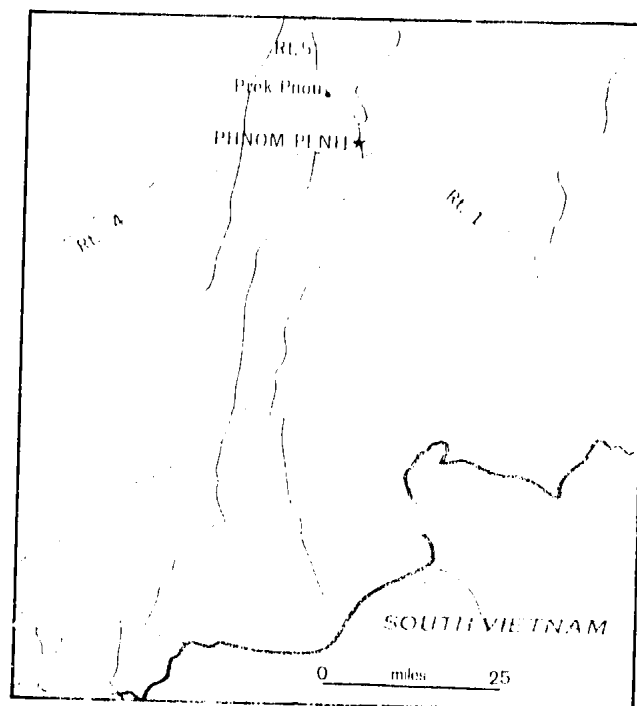
New Year celebrations in Phnom Penh were cut short as the Khmer Communists launched widespread attacks that breached the capital's outer defenses in several places. Routes 4 and 5 were cut near Phnom Penh, and defenses on both banks of the Mekong River near the city fell. The most costly government loss occurred along Route 5, where heavy insurgent pressure forced the abandonment of the military fuel storage facility at Prek Pnou. Retreating government troops managed to take a ten-day supply of fuel with them, but most of the rest of it apparently burned in fires set off by Communist shellings.

Government forces were caught off guard by the sudden attacks, but began to counterattack the next day. Government reinforcements have landed on the east bank of the Mekong opposite Phnom Penh, and they are trying to push the Communists out of rocket range of the city. Other government troops have begun clearing operations along Route 4 and along the city's northwestern defenses.

Although Phnom Penh's defenders will probably have their hands full for several weeks, there is no evidence that an all-out assault on the city is in the offing. Indeed, the Communist attacks around Phnom Penh may have been a diversion to tie down government units and mask the beginnings of a major Communist interdiction effort against the lower Mekong River.

## A MORE MODEST PROPOSAL

The increased military pressure on Phnom Penh may lend some urgency to Prime Minister Long Boret's cabinet reshuffle. Despite reports that Boret hoped through a ministerial reorganization to effect far-reaching and fundamental changes in the relationships between his civilian government and the military establishment, it now appears that the ministerial reorganization will produce few surprises. Boret, in fact, told



Ambassador Dean last week that the resignation of Defense Minister Thapanna Nginn, announced on December 19, would be the most significant change.

Boret has appointed one of his close advisers acting defense minister until a permanent replacement can be found. So far, the Prime Minister has found no takers for the politically sensitive defense post. Boret did tell Ambassador Dean that under "no circumstances" would Lon Non, President Lon Nol's controversial younger brother, be given any official position in the government.

Boret's reasons in backing away from his plan to extend civilian control over the military are as yet not clear. He may have decided that private efforts to mend fences with army leaders would hold out more hope for cooperation between the civilian and military sectors than would any attempt to force cooperation through institutional change.

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## CHINA: LITTLE TO CROW ABOUT

A joint editorial in Peking's major publications greeted the new year with a sober assessment of achievements last year and no confident predictions.

The editorial made no reference to convening the National People's Congress, China's rubberstamp legislature, although preparations have been under way for some months and seem to be continuing. Throughout December, leaders from Peking apparently conferred with Mao in Hunan Province, where he has been residing since last fall. Several personnel appointments in the national military hierarchy and in the Foreign Ministry indicate that some progress has been made toward convening the congress, which is charged with ratifying government appointments.

There has apparently been less progress on the major problem of army-civilian relations. The editorial's routine praise for the army was followed immediately by a call to strengthen party leadership, suggesting that Peking continues to encounter difficulties in putting the army under firm party control. The military undoubtedly opposed the recent appointment of civilian officials to head several provinces formerly ruled by army officers.

References in the editorial to "national betrayal" and to national defense industries seem to be alluding to specific problems with the military. For the past year, certain important military men—possibly in conjunction with civilian leftists in the leadership—have been accused by innuendo of seeking accommodation with Moscow and pushing for greater reliance on nuclear weapons. Both concepts are in direct conflict with Peking's current policies of maintaining hostility toward the Soviet Union and relying primarily on conventional weapons.

The editorial said that the anti-Confucius campaign will continue, with its main emphasis on study and criticism. This formulation has been used since early last summer to prevent the cam-

paign from disrupting public order and affecting production. Indicating some displeasure with the progress of the campaign, the editorial noted that some organizations have "not done well" and that "new problems" have emerged. Although the editorial reiterated calls for unity and for using the campaign to spur production, its references to "shooting the arrow at the target" and "dealing blows" to unnamed "counter-revolutionaries" suggest that the campaign is more than a study movement and has specific personal targets.

On the economic front, the editorial backed off from earlier claims of a "record" harvest and said only that 1974 saw an "all-around good harvest." By lumping agriculture and industry together, the editorial was able to claim an increase in total production over the previous year. Much of this increase probably results from China's growing oil industry.

Peking's treatment of foreign affairs reaffirmed current policy lines. The editorial urged a continuation of "Chairman Mao's revolutionary line in foreign affairs"—a stock phrase for efforts to improve Sino-American ties. Taiwan received even more perfunctory attention than in the editorial last year. Not surprisingly, the Chinese continued to court the Third World by making much of the developing countries' struggle against "super-power" hegemony.

The editorial was more interesting for what it chose not to say and, in this sense, seemed to take a modest view of foreign policy accomplishments in 1974. Whereas in the 1973 editorial Peking characterized the international situation as "excellent," this year it simply said that "new successes" had been achieved during the year. Moreover, the Chinese avoided mention of specific issues and adhered closely to general and familiar formulations. In contrast, the editorial last year discussed at some length relations between the super powers as well as the situation in Asia and the Middle East.   25X1

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## NUCLEAR-POWERED SHIPS: BECOMING COMPETITIVE

Nuclear power in merchant ships, long debated because of costs and safety, is looking more attractive in these days of soaring bunker fuel costs. A number of uncertainties remain, however, and these will deter a rapid switch to this type of vessel.

A nuclear-powered ship costs about twice as much as a conventionally powered ship, but it has several operating advantages:

- Lower fuel costs, especially when operating at high speeds. This was true even before the recent quadrupling of bunker prices.
- Fuel storage requires little space; this takes up as much as 30 percent of cargo space in high-speed, conventionally powered ships.
- Refueling time is cut. Conventionally powered vessels often must be diverted to bunkering ports.

The first generation of nuclear-powered civilian ships has been at sea for some time. In 1959, the Soviets put the nuclear-powered icebreaker *Lenin* into service. Three years later, the US flag *Savannah*, the first nuclear-powered general cargo ship, went to sea. Subsequently, a small West German bulk carrier, the *Otto Hahn*, entered service. The ill-fated Japanese research vessel, the *Mutsu*, made its first voyage under nuclear power in 1974.

Nuclear propulsion is most attractive for large container ships and for tankers over 500,000 deadweight tons. Nuclear-powered container ships can give faster service, a prime concern in container operations. In conventionally powered vessels, an increase in speed from 25 to 35 knots requires tripling power and fuel capacity. For tankers, fuel saving is of paramount importance. In 1972, for example, the world's tanker fleet consumed 50 million tons of bunker fuel which, at present prices, would cost \$500 million.

West Germany and France are world leaders in applying nuclear propulsion technology to merchant ships. Other interested nations are Japan and Italy. The USSR has not shown much interest

in nuclear merchant ships, but has launched two nuclear-powered icebreakers.

A West German government-financed corporation, in cooperation with the shipping and insurance industries, operates the nuclear-powered *Otto Hahn*. The ship has visited the Netherlands, Portugal, Argentina, and Brazil with various bulk commodities including grain. Bonn plans to build large, fast container ships for operation on its Europe-to-East Asia service. These ships would be designed to carry 4,000 containers at 35 knots—compared with the present standard of 3,000 containers at 25 knots.

Paris does not have a nuclear-powered merchant vessel, but it does plan to use nuclear propulsion for its ambitious merchant fleet expansion program. The French have had experience in operating nuclear-powered naval vessels and intend to adapt their military propulsion system to the civilian fleet. 25X1

Public opinion, rather than economics or technology, probably has doomed Japan's program for the near term. The Japanese had preliminary plans for building several classes of container ships, including a 35-knot ship capable of carrying 3,000 containers. The failure of the *Mutsu*, a small nuclear-powered research and training vessel, has caused Tokyo to shelve its plans.

Even if the interested governments are convinced that nuclear propulsion is more economical in certain cases than conventional power, they must also satisfy themselves that international and local agreements on safety standards will permit nuclear ships normal port-entry privileges. Most of the interested governments indicate that the UN-sponsored international maritime consultative organization—with assistance from other international organizations—should set basic safety and liability criteria. 25X1

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